

vantages of membership. The Society exists only for the benefit and improvement of its members and this undertaking will certainly be a great benefit and a not inconsiderable saving to them.

Respectfully submitted,
PHILIP MILLS JONES, Secretary.

REPORT OF THE COUNCIL.

To the House of Delegates, Medical Society, State of California:

The current year has been uneventful as regard to stirring events. The Council have held several meetings, transacting the business properly coming before it.

As will appear by the several reports submitted, the Society is in a good state of efficiency, the membership being slightly increased, while the interest manifested by the component Societies is up to standard.

The card files have been brought into good and complete order.

The business of the JOURNAL is better than before, with every prospect of further improvement.

The following is the report of the Council:

The year of 1908 saw a financial depression over the whole country which did not fail to affect our Society. Through failures, etc., the JOURNAL lost \$278.00, the largest sum that has yet been charged to profit and loss since we began publication in 1902.

Advertisements were withdrawn to the extent of \$900.00, thus making a total loss on JOURNAL business, from what was expected in the beginning of the year, of \$1,178.00.

However, for the first time we are able to present a statement of the year's business uncomplicated with inheritances from previous years, except \$890.00 paid for JOURNAL account incurred in 1907.

The statement presented to you, which is the auditor's report to the Council after experting the Secretary's books, includes only the receipts and expenses for 1908; no bills remained unpaid.

The total receipts for the year were \$1,505.29 less than for the year 1907, and the total disbursements were \$1,075.58 less than the preceding year. It will therefore be apparent that we were injuriously affected during the year to the extent of nearly \$1,608.71. In spite of the fact, our JOURNAL has shown a slight increase in net earnings and our actual liabilities have been reduced somewhat as we see from the following figures:

Considering our actual liabilities only, and making no deduction therefrom for stock on hand, fixtures, petty cash, etc., we find actual liabilities—

January 1, 1907.....	\$3,909.44
January 1, 1908.....	2,912.28
January 1, 1909.....	2,447.12

thus in three years, and in spite of losses from fire and from the business depression of last year, we have reduced our liabilities to the extent of \$1,462.32. It must also be remembered that our expenses have increased in almost every direction.

Salaries, 1908	\$5,077.00
" 1906	3,883.00

Increase	\$1,194.00
Organization, 1908	\$309.75
" 1906	99.70

Increase	\$210.05
Society expense, 1908.....	\$582.65
" " 1906	304.61

Increase	\$278.04
Office expenses, 1908.....	\$807.91
" " 1907	547.68

Increase	\$260.23
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Total increase in disbursements in these four items is therefore \$1,942.32.

On the other hand, all back indebtedness on JOURNAL account has now been paid and the JOURNAL shows a slightly increased net earning capacity. In 1906 the books showed \$288.00 excess of receipts over expenditures; in 1907, this was \$594.00; in 1908 it was \$958.00. It may be said, parenthetically, that business conditions are decidedly improving with the early months of the present year; already two pages of new advertisements have been received and others are anticipated.

In August it became apparent that it would be quite impossible to make any payment upon our note for \$2,000.00, and a meeting of the Council was called to consider our financial status. At this meeting the Secretary was instructed to present a report, at some future date, with suggestions as to how we might reduce our expenses. He subsequently reported to me that he could see no way in which our expenses could be reduced save by reducing his salary and he, therefore, with my consent and without waiting for a meeting of the Council, reduced his salary for 1909 to the extent of \$500.00.

With this reduction, with no inheritance of unpaid bills from the preceding year, and with the improvement in business conditions in view, we believe that it will be possible to reduce our loan to the extent of a few hundred dollars during the present year.

The actual cost of printing and distributing the twelve issues of the JOURNAL for 1908—all JOURNAL expenses—was \$2,839.23. This is less than the amount which appears on the statement in your hands because \$891.27 was paid in January, 1908, for JOURNAL expenses of a previous year, and \$60.00 was paid in January, 1909, for the paper used in the December (1908) issue.

The Register for the past three years has been published by Mr. Henry Kaplan without expense to the Society. The information is compiled in our office and in return for this, a copy of the book is sent to each member. A plan is under consideration by means of which the Register may be issued quarterly and thus more accurate information furnished; many hundreds of changes occur each year.

C. G. KENYON, Chairman.